GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:2864
ANSWERED ON:10.03.2003
PRODUCTION OF KHADI UNDER KVIC
PRABHUNATH SINGH

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) the percentage of the contribution of Khadi and Village Industries Commission (KVIC) in every State including Bihar in the total production of khadi in the country, State-wise;

(b) whether the Government are taken any steps to encourage KVIC in the country particularly Bihar; and

(c) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF AGRO AND RURAL INDUSTRIES (SHRI SANGHPRIYA GAUTAM)

(a): The State-wise details of Khadi production and its percentage share to total production in the country including Bihar is at Annexure-I.

(b) & (c): To encourage the Khadi and Village Industries the Government is already implementing Rural Employment Generation Programme (REGP) through Khadi and Village Industries Commission in the country including Bihar. Under this scheme, 25% of the project cost is provided as margin money. For project cost above Rs. 10 lakhs and upto Rs. 25 lakhs, the rate of margin money is 25% of Rs. 10 lakhs plus 10% of the balance cost of the project. For weaker sections, margin money is given at the rate of 30% of the project cost upto Rs. 10 lakhs and for the balance amount (upto Rs. 25 lakhs) it is 10%.

Moreover, for strengthening the Khadi and Village Industries sector in the country, `Khadi Package` was announced by the Government on 14.05.2001, which inter-alia provides for Insurance cover to Khadi artisans, option between rebate and Market Development Assistance (MDA), creation of packaging and design facilities, measures to promote marketing, brand building, cluster development, technology upgradation, quality control etc.